

GEC, AG's Office meet over Prop "A" pamphlet

by Marissa Eusebio, KUAM News
Monday, October 11, 2004

Officials from the Guam Election Commission and the Attorney General's Office met this morning to discuss concerns about deficiencies in the voter information pamphlet on the casino gaming initiative, which the AG's Office claims may prevent the vote on Prop "A" from taking place in the November 2 General Election. GEC legal counsel Cesar Cabot told KUAM News the issue boils down to a lack of funding.

In order for the GEC to have distributed an 82-page mailer, it would have cost more than \$150,000. Cabot says that until they receive the funding needed to comply with the law, the issue will continue to go unresolved.

In the meantime, Attorney General Douglas Moylan says after reviewing the facts and applying the law, because the GEC failed to provide the full mailer, regardless of the cost, the General Election question on the ballot will be ineffective for purposes of passing the initiative. Moylan described it as a fatal defect on a wasted notice, adding that insufficient funding is not an excuse in the law for not providing adequate due process to the public.

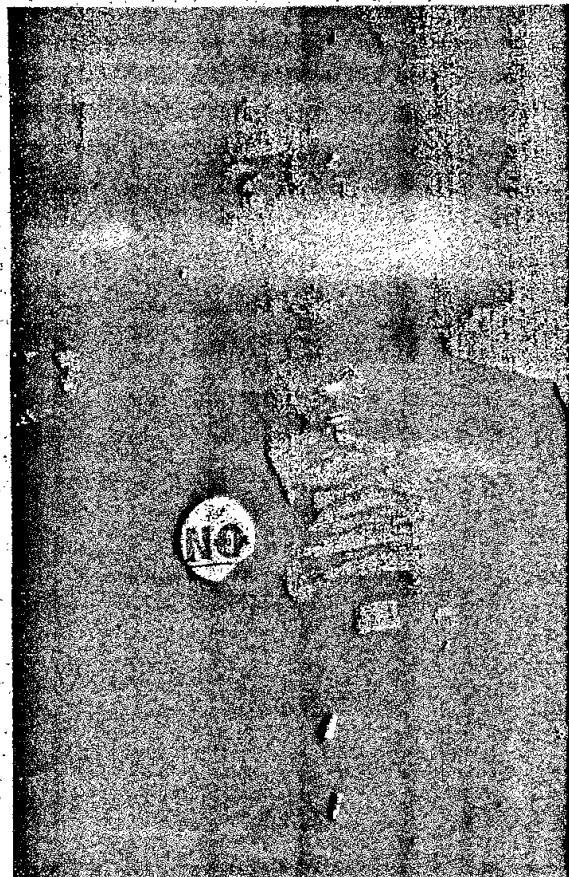
However, Moylan says that the two groups will continue to work together to come up with alternatives. Their next meeting is slated for October 21.

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Copa slams casino economic study

By Gerardo R. Partido
Variety News Staff
MEMBERS of the anti-casino group Communities Opposing Proposal A have slammed an

economic impact study on gaming commissioned by the island's hotel sector. According to Copa chairwoman Jackie Marati, the study



Copa chairwoman Jackie Marati said the study commissioned by the Guam Hotel and Restaurant Association was performed by a firm which stands to make more money if Prop A is passed.

Photo by Gerardo R. Partido

commissioned by the Guam Hotel and Restaurant Association promotes gambling and was performed by a gambling consulting firm which stands to make more money if Prop A is passed.

"This is a study that promotes gambling. The consultant who prepared the study helps casinos get started. They prepared the Prop A summary used by Citizens For Economic Diversity. How 'independent' is that?" Marati charged.

The study, conducted by Michael J. Pollock, managing director of Spectrum Gaming LLC, concluded that gaming could add as much as 1,388 direct jobs leading to a total increase in employment of as many as 2,085 jobs, with a total annual payroll of about \$42.7 million.

In addition, the study said the government of Guam could realize up to \$20.52 million in additional tax revenues from gaming taxes, gross receipts taxes, and personal income taxes.

The Spectrum Gaming Group is an international gaming

consultancy specializing in services to casino developers and regulatory agencies.

But Marati said the Spectrum study failed to answer where the Prop A jobs would be coming from and what the new sources of revenue would be.

"It does not tell us whether Prop A is good or bad for Guam now, that is the question," Marati said.

Copa is bringing in its own expert, Dr. Bill Thompson from the University of Nevada-Las Vegas, to discuss the effects of casinos on Guam.

"We are finalizing a calendar which will allow all voters to benefit from his perspective, and giving them the opportunity to ask the challenging questions we need to ask," Marati said.

Thompson has consulted for the congressional national gambling impact study commission as well as numerous casino groups throughout the U.S. and various local governments both within the United States and overseas.

In light of the "fluctuating" figures presented by CFED, Marati said her group decided to call on Thompson's expertise to confirm what the true impact of casino gambling will be for Guam.

Marati also criticized the \$2,500 cost of securing a copy of the Spectrum study.

"We thought they were rolling out an education program for all the people. And now we have to fork over \$2,500 for a copy of the report? Why won't the really big businesses come out and admit they funded a \$38,000 63-page report?" Marati asked.

Marati also reiterated her challenge for CFED to agree to a public debate and forum. CFED earlier decided to pull out of a public forum on Proposal A, charging that casino proponents would not get a fair shake from the forum.

"We the voters need more than press conferences and \$2,500 reports to inform us. Let's bring the debate to the voters to allow them to decide," Marati said.

Camacho urged to address Prop A crisis

By Trina A San Agustin
Variety News Staff

VICE Speaker Frank Aguon Jr. (D-Yona) has urged Gov. Felix P. Camacho to use his transfer authority to provide the Guam Election Commission with funds for the printing of a corrected version of the voters' information pamphlet for the Casino Gaming Initiative.

"The recent news of the lack of funds for the printing of the Proposition A initiative by the GEC for general distribution as part of their responsibility to the community may directly impact the ability of our people to vote on the initiative

this upcoming general election," Aguon said in a letter to the governor.

Aguon, chairman of the legislative committee on budgeting and appropriations, also expressed concern that GEC may be running out of time. The elections commission needs sufficient time to distribute the new information materials to voters. The casino plebiscite will be held simultaneously with the general elections on Nov. 2.

The vice speaker thus urged the governor to expedite the release of funds for printing in order for the voters to get enough



Felix P. Camacho

time to review the pamphlets. "An informed electorate would make the right decision and best decision for our island," he added.

AGO probing agencies hiring private lawyers

By Mar-Vic Cagurangan
Variety News Staff

THE Attorney General's office has expanded its investigation into private legal service con-

spond.

Asked if AGO was preparing possible court actions against the agencies, Moylan replied, "We will make that decision once we

FORUM

Our Opinions And Yours

OPINION

The report that nails Saddam

By David Brooks

SADDAM Hussein saw his life as an unfolding epic narrative, with retreats and advances, but always the same ending. He would go down in history as the glorious Arab leader, as the Saladin of his day. One thousand years from now, schoolchildren would look back and marvel at the life of The Struggler, the great leader whose life was one of incessant strife, but who restored the greatness of the Arab nation.

They would look back and see the man who lived by his saying: "We will never lower our heads as long as we live, even if we have to destroy everybody." Charles Duelfer opened his report on Iraqi weapons of mass destruction with those words. For a humiliated people, Saddam would restore pride by any means.

Saddam knew the tools he would need to reshape history and establish his glory: weapons of mass destruction. These weapons had what Duelfer and his team called a "totemic" importance to him. With these weapons, Saddam had defeated the evil Persians. With these weapons he had crushed his internal opponents. With these weapons he would deter what he called the "Zionist octopus" in both Israel and America.

But in the 1990's, the world was arrayed against him to deprive him of these weapons. So Saddam, the clever one, The Struggler, undertook a tactical retreat. He would destroy the weapons while preserving his capacities to make them later. He would foil the inspectors and divide the international community. He would induce it to end the sanctions it had imposed to pen him in. Then, when the sanctions were lifted, he would reconstitute his weapons and emerge greater and mightier than before.

The world lacked what Saddam had: the long perspective. Saddam understood that what others see as a defeat or a setback can really be a glorious victory if it is seen in the context of the longer epic.

Saddam worked patiently to undermine the sanctions. He stored the corpses of babies in great piles, and then unveiled them all at once in great processions to illustrate the great humanitarian horrors of the sanctions.

Saddam personally made up a list of officials at the U.N., in France, in Russia and elsewhere who would be bribed. He sent out his oil ministers to curry favor with China, France, Turkey and Russia. He established illicit trading relations with Ukraine, Syria, North Korea and other nations to rebuild his arsenal.

It was all working. He acquired about \$11 billion through illicit trading. He used the oil-for-food billions to build palaces. His oil minister was treated as a "rock star," as the report put it, at international events, so thick was the lust to trade with Iraq.

France, Russia, China and other nations lobbied to lift sanctions. Saddam was, as the Duelfer report noted, "palpably close" to ending sanctions.

With sanctions weakening and money flowing, he rebuilt his strength. He contacted W.M.D. scientists in Russia, Belarus, Bulgaria and elsewhere to enhance his technical knowledge base. He increased the funds for his nuclear scientists. He increased his military-industrial-complex's budget 40-fold between 1996 and 2002. He increased the number of technical research projects to 3,200 from 40. As Duelfer reports, "Prohibited goods and weapons were being shipped into Iraq with virtually no problem."

And that is where Duelfer's story ends. Duelfer makes clear on the very first page of his report that it is a story. It is a mistake

Continued on page 11

LIBERALS TO BAN BIBLES!



BEELZEBUB TO BE FIRST. KERRY-APPOINTED SUPREME COURT JUSTICE!



JOHN KERRY IS ACTUALLY BIGFOOT!



UNDECIDED VOTERS ABDUCTED BY ALIEN DEMOCRATS!



OSAMA IS HIDING IN KERRY'S CHIN!



TERESA IS A MAN!



THE GOP IS GOING ALL OUT IN THE SWING STATES!



Gerry R. Partido

• Island Stir



Prop A conspiracy theories

THE conspiracy theories have begun.

Shortly after the attorney general's office announced that the voting on Proposal A may have to be postponed, rumors started flying thick and fast about the party or parties who prodded AGO to look into the defects of the casino information pamphlets distributed by the Guam Election Commission.

In a letter to GEC executive director Gerald Taitano, AGO said it received a complaint on the commission's procedures related to Proposal A that could prompt a legal challenge and derail the Prop A poll this November.

AGO, however, did not identify who the complainant was. Pro-casino people say the anti-Prop A people are behind this while the anti, of course, say it's the other way around.

The conspiracy theories revolve around the theme of either the anti- or pro-casino group, depending on which part of the fence the theorist sits on, lagging behind in surveys and needing more time to educate and sway the voting public to its side.

Although GEC and AGO have already set a meeting to thresh out the flaws in the Prop A pamphlet, both acknowledge that it is too late to correct the errors because the law requires the pamphlets to be mailed 30 days before election day. That "window of opportunity" has already lapsed.

This now makes for an interesting scenario. Even if the voting for Prop A goes through this November, the final result would be open to challenge because of the perceived defects in the procedures followed by GEC.

The contest could never end and Prop A may never be resolved with finality, as either party can challenge the results of the election due to the technicalities raised by AGO.

The only recourse may be to set a special election for Proposal A at a later date. But this would mean additional costs and a separate appropriation from the legislature. Cost estimates based from past special elections peg the price of a special election at \$100,000 minimum.

The special election scenario has also prompted one of the more intriguing of the Prop A con-

spiracy theories. Some people are saying that a special election would favor the pro-casino camp for the following reasons:

- The general election is not limited to Prop A and as such would not receive the full attention of the voting public;
- Any general election ballot with the Prop A section left blank could translate to a "no" vote on Prop A; and
- A special election would enable voters to focus on the casino issue, attracting more people to vote on the proposal, and lessening the chances for spoiled ballots.

But Jay Merrill, a consultant with CPED, has stated that the pro-casino group wants the issue to be decided in the November polls. According to Merrill, surveys have been positive for the pro-casino group and there is no reason for them to want any postponement of the Prop A voting.

Copa also wants to go through with the November Prop A vote, saying that the surveys favor the anti-casino group.

In fact, both CPED and Copa, ironically enough, may join forces and launch an unprecedented lawsuit to force the holding of the Prop A vote on November.

Meanwhile, GEC's Gerald Taitano has been put on the spot because of the commission's handling of the Prop A voter education requirement.

The legislature can't be blamed for not appropriating money to address the pamphlet defects because Taitano didn't ask for it.

According to the legislature, GEC only asked for \$25,000 to fund the casino initiative voting, not the \$100,000 which could have financed the other Prop A voter education requirements.

To be fair, the GEC head was only doing what he thought was best because printing and mailing the required 80-page casino proposal in full would have been costly and impractical.

In any case, we only have three weeks before the general elections and the following days should prove quite interesting as we await the final decision on Prop A.

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HAGA ADAL, IT'S TUESDAY

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Prop A vote not binding

AG: Error with pamphlets may jeopardize election

TO THE POINT
▲ While Proposal A can stay on the Nov. 2 ballot, the outcome of the casino initiative might not be enforceable because of problems with an informational pamphlet that was mailed to voters.

By Steve Limtiaco
Pacific Daily News
slimtiaco@guampdn.com

Residents can head to the polls Nov. 2 to decide whether to legalize casino gaming on Guam, but the outcome of that election might not be enforceable because of problems with an informational pamphlet that

INSIDE
▲ Budget Amounts the Guam Election Commission had asked lawmakers for. Page 4

was mailed to voters by the Guam Election Commission, Attorney General Douglas Moylan said yesterday. While several potential

problems in the pamphlet were identified by the attorney general's office last week, the biggest problem is that the complete text of the 80-page initiative was not included in the pamphlet, as required by Guam law, Moylan said.

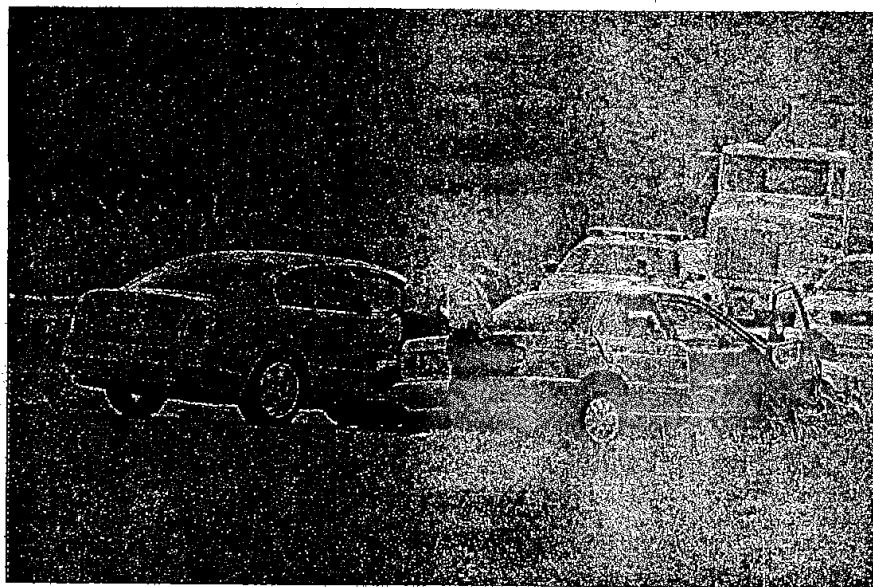
The election can move forward as planned because it will not cost anything extra

to do so, but if casino gaming is approved by voters, that law cannot be enforced, Moylan said.

Moylan met with Election Commission legal counsel Cesar Cabot and commission employees yesterday morning, but the concerns about the pamphlet are unresolved.

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Two women hurt in collision yesterday



Masako Watanabe/Pacific Daily News/mwatanabe@guampdn.com

Route 15: Guam Police Department officers stand next to two cars involved in a collision on Route 15 yesterday afternoon. Two women were transported

to Guam Memorial Hospital after the accident and were in stable condition as of yesterday evening.

▲ See story, Page 5

Baby needs foster home

If your home can accommodate the needs of a sick baby, consider being a foster child for the little boy. The Child Protective Services has custody of the 3-month-old, who needs to transition from a hospital environment to home care. The boy is a survivor. He was not even expected to live beyond birth, because he was born with only a brain stem, with the rest of his brain undeveloped. But the baby has since gained weight and is now around 8 pounds. The agency has checked with all its current foster care homes, and none is able to take him right now.

INSIDE

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'Superman' dies at 52

Actor Christopher Reeve, the star of the "Superman" movies who became

even more famous as an advocate for the disabled after he was paralyzed in 1995, died Sunday. He was 52. Reeve fell into a coma Saturday after going into cardiac arrest while at his New York home, his publicist, Wesley Combs, told The Associated Press.



INSIDE

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Judge orders recount of ballots

TO THE POINT
▲ A Superior Court of Guam judge has ordered that ballots in the Tamuning vice-mayoral race be counted a third time.

By Steve Limtiaco
Pacific Daily News
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Discrepancies surfaced during last month's recount of ballots for the Tamuning vice-mayoral race, and Presiding Judge Alberto Lam-

orena yesterday said he is not satisfied with the explanations for disappearing votes.

Lamorena has ordered that those ballots be counted a third time, but this time by court employees and not by the Guam Election Com-

mission.

The Tamuning vice-mayoral race was initially a tie between Republicans Joshua Mafnas and Louise Rivera, at 459 votes each. A recount ordered by the

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dollars to
weekend
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84 20 2004



20TH ANNIVERSARY SALE A-BRATON
Total Savings of up to \$4,000 SEE PAGE 11



Casino: GEC board to meet next Thursday

▲ Continued from Page 1

Moylan said. The attorney general's office became involved in the issue after receiving a complaint about the pamphlets from an unnamed person.

"We have to advise the commission on whether or not the error that occurred has jeopardized the Nov. 2 election," Moylan said. "Our position is that it has jeopardized it, and the law, if it is passed, will not be enforceable."

Dededo resident Johnny Camacho, 42, yesterday said he never received an informational pamphlet in the mail, but said the vote should be held anyway. He said he supports casino gaming because it will be good for the island.

"I think it should go on," he said.

Erwin Samelo, 35, of Santa Rita, who also did not receive an informational pamphlet, said the vote should not happen.

"I think they should postpone it first, so everyone will understand the process for casino gambling," he said.

Election Commission attorney Cabot said the commission did not include the complete text in the pamphlet because it did not have enough money in its budget to pay for it.

Cabot said it would cost as much as \$165,000 to comply with that law, which is about a third of the commission's budget.

"There's no money, and nobody seems to have a solution for that problem. As much as the GEC wants to comply with the law, ... we just don't have the money and the funds to do so."

Cabot said he will report the attorney general's concerns to the Election Commission board so it can decide what to do.

The board is scheduled to meet next Thursday but could meet sooner if the board members decide, Cabot said.

"As far as we're concerned, we carried out the letter of the law to the best that



Masako Watanabe/Pacific Daily News/mwatanabe@guampdn.com

Registrations: Guam Election Commission program coordinator David Charguaf Jr., right, checks the voter registration status for Conchita Nelson, 48, and her husband, Carl Nelson, 45, of Dededo. As voters get ready to vote on Nov. 2, the attorney general's office is leaving it up to the commission whether to include the casino question, Proposal A, on the ballot.

PAMPHLET PROBLEMS

Here's what the attorney general's office says is wrong with the Proposal A pamphlet:

▲ **The claim:** There is no Guam Casino Gaming Control Commission Act in the pamphlet.

▲ **What Guam law says:** "The Ballot pamphlets shall contain: (a) A complete copy of any measure submitted to the voters by: (1) The Legislature, (2) Initiative or referendum petition. (b) A copy of the specific statutory provision, if any, proposed to be affected." In addition, government regulations state that "the complete text of the initiative measure" must be printed in the ballot pamphlet, immediately after the argument against the measure, followed by the text of any existing laws that would be affected.

▲ **The claim:** There is no analysis by the commission as required by law. (According to Assistant Attorney Gen-

eral Robert Weinberg, the text in the pamphlet does not appear to meet the minimum requirements of the law).

▲ **What Guam law says:** "Whenever any measure qualifies for a place on the ballot, the Election Commission shall prepare an impartial analysis of the measure showing the effect of the measure on the existing law and the operation of the measure. The analysis shall be printed in the ballot pamphlet between the ballot title and the arguments for and against the measure. The length of the analysis shall not exceed five hundred (500) words, except with the approval of the Election Commission."

▲ **The claim:** The "analysis" that is provided does not appear to be authored or acknowledged by legal counsel for the commission, as required by the government's Administrative Rules and Regulations.

▲ **What the regulations say:** "Legal counsel for the commission shall, not less than 45 days prior to the election at which an initiative measure is to be submitted to the voters, prepare an analysis of the measure, not to exceed 500 words in length. The analysis shall be impartial and shall show the effect of the measure on existing law and the operation of the measure."

▲ **The claim:** The pamphlet lacks the three signatures of voters who submitted the opposition to Proposal A. Three signatures of voters were submitted, but only one name appears on the pamphlet, contrary to law.

▲ **What Guam law says:** "No more than three signatures shall appear with any argument printed in the ballot pamphlet, in case any argument is signed by more than three persons the signature of the first three shall be printed."

Pacific Daily News

we could, based upon our funding," Cabot said. "When we went to the government

for funding, we asked for \$850,000. They chopped it down to half."

But Election Commission Executive Director Gerald Taitano told the Pacific Dai-

WHAT'S AT ISSUE

The main problem in the informational pamphlets mailed to voters earlier this month is the absence of the 80-page casino initiative, since Guam law requires the entire text be included in the pamphlet, according to the attorney general. The commission's fiscal 2005 budget request indicates that the commission did not ask lawmakers for enough money to send the complete casino text to voters.

Here is what the Guam Election Commission asked lawmakers for during budget hearings this past May, specifically related to the casino gaming initiative:

▲ \$22,000 for postage to bulk-mail 60,000 informational pamphlets for the Guam Casino Gaming Control Commission Act

▲ \$14,380 for separate ballot stock for the casino gaming initiative (note: the commission has since decided to print the initiative question on the same ballot as the non-

partisan races, eliminating the need for separate paper)

▲ \$2,500 to print "sample ballots, official forms and instructional material such as voter information pamphlet, ballots, etc."

What is needed to include the complete text of the initiative in the informational pamphlet that is supposed to be mailed to voters:

▲ \$145,000 for printing

▲ As much as \$20,000 for postage, according to election commission legal counsel Cesar Cabot.

What the commission requested in September:

▲ A \$25,000 transfer from Gov. Felix Camacho, to pay the cost of printing and mailing a single-page pamphlet.

Guam Election

Commission's fiscal 2005 budget request to the Legislature, dated May 21, 2004; and election commission legal counsel Cesar Cabot

ly News last week that he never intended to send the complete text to voters and did not ask lawmakers for the money to do so.

The commission's budget request, submitted to lawmakers in May, appears to support that. According to that document, the commission asked lawmakers for \$22,000 for postage and \$2,500 to produce informational pamphlets and other related documents.

Moylan said money is not the issue because Guam law is clear about the requirements for voter notification. He said a recent court decision that delayed the election for the Retirement Fund board of trustees reinforces the importance of meeting the minimum requirements.

Cabot said he disagrees with the other concerns raised by the attorney general's office, which include the source and form of the pamphlet's impartial summary and whether or not more names should have been listed on the argument against

Proposal A.

Moylan said his office and election commission officials also discussed yesterday the possibility of getting the law changed to avoid similar problems in the future and find the most efficient and effective way to educate voters about initiatives.

"They're talking in general terms about having the election commission publish it in the newspaper, versus having these pamphlets sent out," Moylan said.

The problem with the pamphlet cannot be fixed in time for the General Election, Moylan said, because the law requires that voters receive their pamphlets at least 30 days before the election.

The sponsors of the initiative have met the requirement to put their initiative to a vote, but it now is a question of when that should happen, Moylan said.

"Our interest is to ensure that the laws that are passed are valid and that government money isn't wasted on defective laws," he said.

Ballots: Court employees to conduct recount of votes

▲ Continued from Page 1

Election Commission showed a 12-vote discrepancy in the election-night results. According to the recount, Rivera had 455 votes and Mafnas had 451, and the commission certified Rivera as the winner.

Mafnas sued Rivera and asked the court to intervene and count the ballots again. A trial for the case was held last Saturday.

Lamorena yesterday said he found no evidence of fraud or misconduct in the election process, but said he is not satisfied with court testimony on the reason for

discrepancies in the recount. Specifically, he said he is not satisfied with testimony about the 12-vote discrepancy.

"This is pretty much everything we asked for," said Mafnas' attorney, Jay Ariola, who added that there is no harm in conducting another recount.

He said he is pleased that the court will be counting the ballots instead of the election commission.

Rivera attorney Michael



Mafnas

Berman said he would have preferred to avoid a recount, but said Lamorena was being careful.

"I think it's a fair-minded result," Berman said of Lamorena's decision.

Lamorena did not grant Mafnas' request that all votes for him be credited, even if they were written in the Democratic or Independent columns.



Rivera

The court will count only the votes that were cast in the Republican column, Lamorena ruled.

The court also will re-examine all ballots that had been rejected or invalidated by the Election Commission to determine whether they are valid or not, Lamorena ruled.

Lamorena ordered that the ballots for the Tamuning precincts be delivered to his courtroom by 10 a.m. today so the results of the vice-mayoral race can be re-examined by the clerk of the

WHAT'S NEXT

▲ The Guam Election Commission is scheduled to deliver Tamuning primary election ballots to the Superior Court of Guam by 10 a.m. today so the results of the Tamuning vice-mayoral race can be counted a third time.

court and five deputy clerks. Representatives for Mafnas, Rivera and the Election Commission will witness the process, he said.

The process the court will use to recount the ballots will be explained at 11 a.m. in his courtroom, Lamorena said.

Guam judiciary bill passes Congress

By Gerardo R. Parfido
Variety News Staff

GUAM moved closer to having a third branch of government yesterday with the U.S. Senate's passing of H.R. 2400, the Guam judicial reform bill.

This legislation, introduced by Rep. Madeleine Z. Bordallo (D-Guam) last year, amends the Organic Act of Guam to establish the judiciary as the third, co-equal and independent branch of the government of Guam.

The legislation also clarifies that the Supreme Court of Guam shall have appellate and administrative authority over all inferior courts in Guam, thereby effectively establishing a unified local judiciary.

Congress' passing of the bill is seen as a significant step forward for the independence and autonomy of the judicial branch of Guam.

In an interview, Speaker Vicente Pangelinan described the congressional action as very significant and historic.

"This creates a co-equal branch of government. This is important because having an independent judiciary is one of the pillars of a democratic form of government," he said.

The Speaker, who has been a long-time champion of the Guam Supreme Court, said judiciary reform is something that he has been working on ever since he got into the legislature.

"We were the ones who contested a Republican-passed bill in the legislature that stripped the authority of the Supreme Court. We won that case with Atty. Mike Phillips. That case upheld the Judicial Council and the Supreme Court's authority over all the courts of Guam. But this would still have been subject to change in local law. Now that H.R. 2400 is passed, there is no longer any danger of changing the structure of the courts through local law," the Speaker said.

ing the structure of the courts through local law," the Speaker said.

Significant landmark

Bordallo, in a press statement from Washington, described the passage of the Guam judicial reform bill as a significant land-

mark in the development of self-governance on Guam.

"Once President Bush signs this legislation into law, Guam

will have a truly co-equal and independent third branch of government," Bordallo said.

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WORLD UPSIDE DOWN: Enjoying their weekend away from school, girls hang from a monkey bar in Ypao Beach Park Sunday.
Photo By Mar-Vic Cagurangan

FAA approves Palau Micronesia flights to Guam

By Gemma Q. Casas
Variety News Staff

THE U.S. Federal Aviation Administration has approved Palau Micronesia Air's application to serve the Guam-Palau route on a regular basis, making it the first locally-owned airline in the Pacific Region to be granted such privilege.

PMA founder and president Alan Seid said the test inaugural flight between Palau and Guam was made on Sept. 21 and the airline is now serving the route regularly.

Seid admitted the airline's passenger load at this time is still low.

But he remains optimistic the trend will change once PMA has signed "interline" agreements with international airlines that bring tourists from Japan and Korea to Guam.

"We're very happy to have been able to inaugurate our flights to Guam.... It's a very significant milestone that we have been able to achieve—obtaining the rights from the U.S. Department of Transportation, the approval of the Transportation Security Administration, the U.S. immigration and the FAA (Fed-

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GEC racing against time on Prop A

By Trina A San Agustín
Variety News Staff

WITH barely three weeks before the Nov. 2 elections, the Guam Election Commission is racing against time.

Attorney General Doug Moylan said Prop A might eventually have to be voted on in a special election.

The voting public heads to the polls in three weeks to cast their votes on the controver-

sial Proposal A initiative, the results will be ineffective if voters decide to allow casino gaming on island.

"If the government fails to provide adequate notice to the voters of the way the initiative is supposed to look then the election cannot go forward on Nov. 2," said Attorney General Doug Moylan. "The window closed on Oct. 3 and anything that Guam Election

Commission does right now wouldn't cure the problem. So they are going to have to do another election basically."

Yesterday officials of the AGO and the GEC met one on one to discuss legal technicalities on GEC's Voters Information Pamphlet for Proposal A.

Moylan said the GEC representatives will bring the information and options back to the

commission on Oct. 21. "However, we stand by our position that they have defective notices that were sent out and can't be fixed before the Nov. 2 election," he added.

Moylan however, ruled out court action to correct the situation. "We are going to permit them to go forward but because the \$500,000 required by the government we are

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Iran, Russia nearing nuclear
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CFED brings casino gaming expert to Guam



Fredric Gushin, founder of the Spectrum Gaming Group, said that gaming will spawn ancillary industries that support casino operations. Photo by Gerardo R. Partido

By Gerardo R. Partido
Variety News Staff

RENOWNED gaming expert and attorney-at-law Fredric Gushin will be on island until Friday this week for consultation with interested parties on Proposal A.

Gushin is the principal of Spectrum Gaming Group, an international gaming consultancy which provides advice and counsel to both the casino industry and governmental regulatory agencies.

According to the pro-casino group Citizens For Economic Diversity, Gushin has independently reviewed Proposal A in its entirety and wrote the summary of the act which is freely available from the CFED office or from its website www.guamgaming.com <<http://www.guamgaming.com>>

CFED said Gushin's fami-

larity with the gaming act, along with his expert knowledge of the industry as a whole, puts him in a position to answer any questions regarding Proposal A.

CFED added that Gushin is available for questions on how Guam's proposed gaming commissioners will be chosen or about the provisions of the Guam Casino Revenue Trust Fund, both of which are included in Proposal A.

Gushin has already been to Guam before and during his first visit, he indicated that the proposed gaming initiative is sound and will provide a viable means of developing the gaming industry on Guam.

He pointed out that every gaming jurisdiction is different and it would not be wise to blindly copy what Nevada or what Atlantic City has done.

Gushin also said that Guam

can learn from the principles of gaming operating in those areas but has to develop its own gaming policies tailored to the local markets and the local situation.

He added that proper and effective regulation will be the catalyst by which investors will decide on whether to put money in a Guam gaming industry.

"The Gaming Control Commission mandated by the initiative must be transparent in issuing licenses and have controls in place against money laundering. The bottomline is that gaming and regulation go hand in hand. Effective regulation has always been and will continue to be the catalyst for gaming development," the consultant stressed in an earlier press conference held at the Palace hotel.

GEC...

Continued from page 1

looking at our position. This election will be ineffective in the purpose of passing Proposal A because of the defect in the notice requirement," Moylan told Variety.

The chief executive legal officer said the election commission's position on this is that they know there is a flaw in it (informative pamphlets).

"Their excuse is that they didn't have enough money to do it. Our position is money is irrelevant for purposes of the due process notice required," he added.

Moylan confirms that the initiative is on the non-partisan ballot, but the only question that remains is whether or not it will be effective for purposes of passing Proposal A.

Moylan said the Citizens For Economic Diversity has validly provided the right information and details to have this question put before the voters. "The voters have the right to have this question heard. How-

ever, because of the election commission's failure to follow the notice requirement, it will be ineffective for purposes of validity passing that initiative into law," he said.

The GEC and the AGO are exploring available options to address the situation.

One option is the holding of a special election on the casino proposal. However, this option requires a long process. Gov. Felix P. Camacho must first call for a special election and from there, the legislature will appropriate funds for that exercise.

Among the defects discovered by the AGO were listed, there is no Guam Casino Gaming Control Commission in the pamphlet while Guam law requires the ballot pamphlets "shall contain a complete copy of any measure to be submitted by voters... by initiative or referendum petition."

The analysis in the pamphlet that was sent does not bear the acknowledgement of the GEC legal counsel, as required by law.

FAA...

Continued from page 1

eral Aviation Administration) to fly to Guam," Seid told Variety in an interview.

"This is a milestone in Micronesia's aviation history. This is the first time that a locally founded airline has ever been able to achieve that. It means that we've been reviewed, looked upon and we met the standards to become an international carrier," he added.

PMA currently uses for its flights a Boeing 737-300 plane it leased from the New Zealand-based Airwork.

Aside from Guam, the airline also regularly flies twice a week to Manila.

The Republic of Palau just celebrated its 10th founding anniversary. Many of its workers are from the Philippines, thus, the Palau-Manila direct fly is considered by many as a relief.

Seid said their main target market from Guam right now are Palauans going to Guam

and vice versa.

But he said they are working on interline agreements with some airlines to bring tourists to Palau.

"...we're also targeting interline agreements so we can bring Koreans and Japanese tourists to Guam from Japan Airlines and Korean Airlines then connect to Palau," the airline president said.

Capitalization

Seid said PMA is currently operating on a \$10 million initial capital.

The majority of it came from the governments of Palau, Yap and Pohnpei.

"We have a mixture of investors. We have Palau National Development Bank, \$1 million. We have Palauan companies. We have Yap state government. We have Pohnpei state government. So those are the major shareholders," Seid said.

From the public, PMA managed to raise \$6.5 million when it issued initial

public offerings in Palau.

"We have IPO under Palau law now so we're operating that now. How much have we raised (so far)? Probably around \$6.5 million. It's a \$100 per share," Seid said.

He said the airline will not sell the IPO in the CNMI or Guam because they have not registered that in the U.S.

"We haven't pursued that under the U.S. and so we're not raising money in the CNMI and Guam," he said.

There are also a few foreign investors who chipped in to the regional airline's capitalization need.

The airline also invited the CNMI government to join its business venture for \$500,000.

But the local government refused the invitation citing concerns on the profitability of the project.

The cash-strapped government could hardly even raise money for its bills to various private and public vendors.

Guam...

Continued from page 1

"The success realized today builds on the work of my predecessor, Congressman Robert Underwood, who began this effort in Congress. The united approach taken by Guam's leaders on this issue also helped to ensure final passage of H.R. 2400 in the House and Senate," she added.

For his part, Supreme Court director for planning and policy Dan Tydingco said the court is pleased that Bordallo was able to bring Guam's judiciary agenda to the attention of Congress.

He added that the congressional action will finally establish the judiciary as an entrenched third branch of gov-

ernment with no more room for politics and manipulation of the court's operations.

H.R. 2400 was first reported by the House resources committee on July 14, and later passed the House of Representatives on Sept. 13, before it was sent to the Senate for consideration.

The Senate energy and natural resources committee's subcommittee on public lands and forests, which has jurisdiction over the territories, held a hearing on H.R. 2400 on Sept. 29, 2004.

At that hearing, Bordallo appeared before the subcommittee with Lt. Gov. Kaleo S. Moylan to urge passage, and enter into the record, statements in support of the legislation from leaders in Guam.

Bush approval seen

The congressional action is expected to be approved by President Bush because Scott Cameron, deputy assistant secretary for performance and management at the U.S. Department of the Interior, also testified at the hearing that the Bush administration does not object the legislation.

According to Bordallo, moving the Guam judicial reform bill through the legislative process in Congress was made possible by the broad support it received from all sectors of the Guam community.

Favorable consideration in the Senate was aided by a letter of support from Gov. Felix P. Camacho as well as by several meetings Bordallo, Moylan, and

Carbullido held with key Senate staff.

Moreover, the enactment of local law, authored by Sen. F. Randall Cugliffe, chairman of the Guam Legislature's committee on judiciary, helped clarify the island's judicial structure and highlighted the need for passage of the legislation in the U.S. Congress.

Pangelinan and other Guam legislators also expressed their support for H.R. 2400 through a legislative resolution presented to Congress. The Judicial Council of Guam and the Guam Bar Association also sent a resolution to Congress urging passage of the bill.

The language of H.R. 2400 is based on previous legislation introduced by former Rep. Robert Underwood of the 103rd

106th, and 107th Congresses.

Bordallo commended the leadership of chairman Rep. Richard W. Pombo (R-California) and ranking member Rep. Nick J. Rahall, II (D-West Virginia) of the House resources committee for moving the legislation through the House.

She also noted the "instrumental" work of Rep. Jeff Flake (R-Arizona), the leading Republican co-sponsor and the help of Sens. Pete Domenici (R-New Mexico), Jeff Bingaman (D-New Mexico), Larry E. Craig (R-Idaho), and Ron Wyden (D-Oregon), for expediting the bill in the Senate.

H.R. 2400 will now be sent to the White House for action by the President, who is expected to sign the bill into law in the coming weeks.



What should the Guam Election Commission do with the casino question Proposal A?

Include Proposal A in the Nov. 2 General Election 66.2%
Hold a special election after Nov. 2 17.4%
Withdrawn the 2006 General Election 16.4%
Total votes: 201

Local news

PUC to decide on 10% water rate hike

The Public Utilities Commission will decide on the Guam Waterworks Authority's proposed water rate increase at its meeting at 6 p.m. tomorrow on the second floor of the GCIC building. The proposed increase of 10 percent is part of gradual increases over the next three years to pay for an anticipated bond debt. Proceeds of the bond will be used to pay for federally required improvements to the island's water and wastewater systems. Paul Kemp, the agency's compliance officer, said the increase also will strengthen GWA's position on the bond market and will allow the agency to save money in the upcoming years for when it will eventually have to begin repaying about \$11.5 million annually.

Nursing education week ongoing

Hard

By Oyaol Ngirairiki

Pacific Daily News
ongirairiki@guampdn.com

In the past several months, Mark Peredo felt compelled to walk instead of ride mass transit buses.

Mark and Meriam Peredo are just two of thousands of people on Guam who have disabilities and are protected by federal laws against discrimination.

The Americans with Disabilities Act was enacted to protect the rights of people with disabilities.

"Historically, society has tended to isolate and segregate individuals with disabilities, and, despite some improvements, such forms of discrimination against individuals with disabilities continue to be a serious and pervasive social problem, ... in such critical areas as employment, housing, public accommodations, education, transportation, communication, recreation, institutionalization, health services, voting, and access to public services," the law states.

But Mark Peredo said, many times, the grumbles and the discriminating remarks about his wife's disability and the accommodations required to assist her come from people who also ride the public bus with them.

Peredo said living with his and his wife's disability is difficult enough without the added stress of "disrespectful comments" by other residents.

Peredo said his wife Meriam, 42, contracted polio when she was a child and

Ric A. Eu

Disability
bus operator, remains helps his

hadn't required for getting into a able to walk was like

In the Meriam walk has she can't feet from the bathroom on to support.

Pro-casino group weighs its options on Prop A poll

By Gerardo R. Partido
Variety News Staff

EXPRESSING disappointment with the recent developments in the Proposal A vote, the pro-casino group Citizens For Economic Diversity yesterday said it is carefully weighing its options before deciding on a course of action.

The possibility that the casino initiative may not be resolved to everyone's satisfaction surfaced after the Attorney General's Office issued a warning that defects in the voter information pamphlets distributed by the Guam Election Commission may make the vote on the casino initiative this November subject to challenge.

Jay Merrill, a consultant

with CFED, said his organization is very disappointed with the developments in the casino initiative.

"We're now in a no-win situation because if the election is postponed, people may blame us. We're damned if we do, damned if we don't," Merrill said in an interview.

"The AG has made it very clear that even if we were to win in the general election, the result could be questioned. And even if we had a special election, the AG's action now puts a cloud over the whole thing," he added.

AG Douglas Moylan on Monday said Prop. A might eventually have to be voted upon in a special election because of the mistakes com-

mitted by GEC.

"We stand by our position that they (GEC) have defective notices that were sent out and can't be fixed before the Nov. 2 election," Moylan said.

While the AG won't stop the casino initiative from being decided in the Nov. 2 polls, Moylan said GEC's failure to follow the election notice requirement properly will render ineffective any decision made on Proposal A during the general election.

"We haven't decided entirely what to do next. We're exploring different options now and what can be done. But our objective is clear. And that is to provide as free and as unfettered an election as possible for the people of Guam to decide," Merrill said.

A special election for Proposal A would require action from the governor and an additional appropriation from the legislature.

While not saying whether CFED is in favor of a special election, Merrill said that as of now, any result on the Prop. A vote this November "will not be representative of anything."

"Some of our supporters may be discouraged and not vote anymore during the general election, thinking that their votes won't do any good anyway. Even the undecided may decide to vote against Prop. A, not necessarily because they're against casino gaming, but because they may perceive the whole process to be flawed due to GEC's mis-



Jay Merrill

takes," Merrill lamented.

"So there's just no way we can get a fair shake out of this whole thing," he added.

Babauta signs law enforcing child support payments

By Ulysses Torres Sabuco
Variety News Staff

SAIPAN — Governor Juan N. Babauta signed into law a measure that addresses the "blatant abuse and disregard" of all Commonwealth court child support orders.

Advocates hailed it as a landmark action citing how enforcement difficulties in child support orders in the CNMI have been eased.

In signing House Bill 14-122 yesterday as Public Law 14-34, the Governor authorized the withholding of in-

come to enforce support orders, and "all missed support payments" become automatic judgments for withholding income.

The new law also provides for mandatory medical support for a child.

"(The new law) provides a practicable and comprehensive scheme to improve the enforcement of support orders issued by (Commonwealth) courts as well as support orders issued in other jurisdictions in the United States, its territories and possessions,"

Babauta told presiding officers in his transmittal letter yesterday.

"This is a more effective way of enforcing child support orders," Babauta separately said before signing the bill into law.

Specifically, the law ensures that individuals required by a court order to "pay support, including child support, medical support or maintenance of a spouse" must make payments in a timely manner. This is through "direct payments" or an "income-withholding order" issued by the court.

The new law also created the CNMI Support Disbursement Unit within the Treasury. The unit ensures funds received from enforcement of an income-withholding order are deposited in a "special and separate" account.

It will be disbursed directly to the individual or family to whom support is owed.

Lucy Blanco Maratita, a child support advocate, helped draft the bill along with Angela Bennett.

It was introduced by Reps. Benjamin Seman (R-Saipan)

and Norman Palacios (Covenant-Tinian).

"This is a bold step. We have been talking about this for many years and this will end (difficulties) of children and custodial parents," Maratita said yesterday.

She says many court orders for child support are currently "blatantly disregarded." There are an estimated 900 child support court orders.

"This makes child support payments more consistent and on time. This is a big step," she added.

GVB markets Guam as a diving paradise

By Gerardo R. Partido
Variety News Staff

THE Guam Visitors Bureau has sent a delegation to the Diving Equipment and Marketing Association 2004 Show in Houston, Texas from Oct. 13-16.

The show is a "trade-only"

special interest fair for professionals in the diving industry. This will be the eighth year that GVB is sending a delegation to market Guam as a diving destination.

The two-person marketing team consists of GVB marketing manager Pilar Laguana and

GVB senior marketing officer Gina Kono.

The GVB team will conduct a "Dive Guam in Magnificent Micronesia" seminar on Oct. 14 featuring Jim Pinson as guest speaker. Pinson will present Guam as having one of the world's rarest diving sites where

relics from two separate world wars are found one atop the other underwater.

The shipwrecks SMS Commoran and Tokai Maru have already been shown in the Discovery Channel TV program series "Deep Sea Detectives" with Pinson as a co-host of the episode.

Exhibitors and buyers at the Dama Show are wholesale manufacturers of dive equipment, retailers, dive shop owners and travel industry professionals.

GVB will promote Guam as having one of the richest ocean regions in the world, with clear, warm, blue water, more than 800 species of tropical fish, nearly 400 corals, countless invertebrates, shipwrecks, and reefs, making it one of the finest and most diverse dive destinations in the world.

GVB will also promote Guam's full range of accommodations for any budget, with dive shops that are well-stocked and offer every level of instruction from basic to instructor training.

Reef appreciation courses can also be found at many major dive shops with beach and boat dives taking place daily.

Guam's Blue Hole is one of the region's special novelty dives as divers drift through a huge shaft in the inner wall and emerge over 100 feet down along a wall in the clear open sea.

Guam has over 90 dive sites, that are visited regularly by its active dive community. Dive packages for Guam can be found through many local dive shops and tour operators. GVB is encouraging people visiting other Micronesian dive destinations to stop off in Guam for some unique diving experiences.

Guam also has daily "spinner" dolphin tours, snorkeling tours, an undersea observatory, and a huge walk-through aquarium as well as many water and ocean-related activities.

People visiting GVB's booth can get a free Dive Guam Brochure, a Dive



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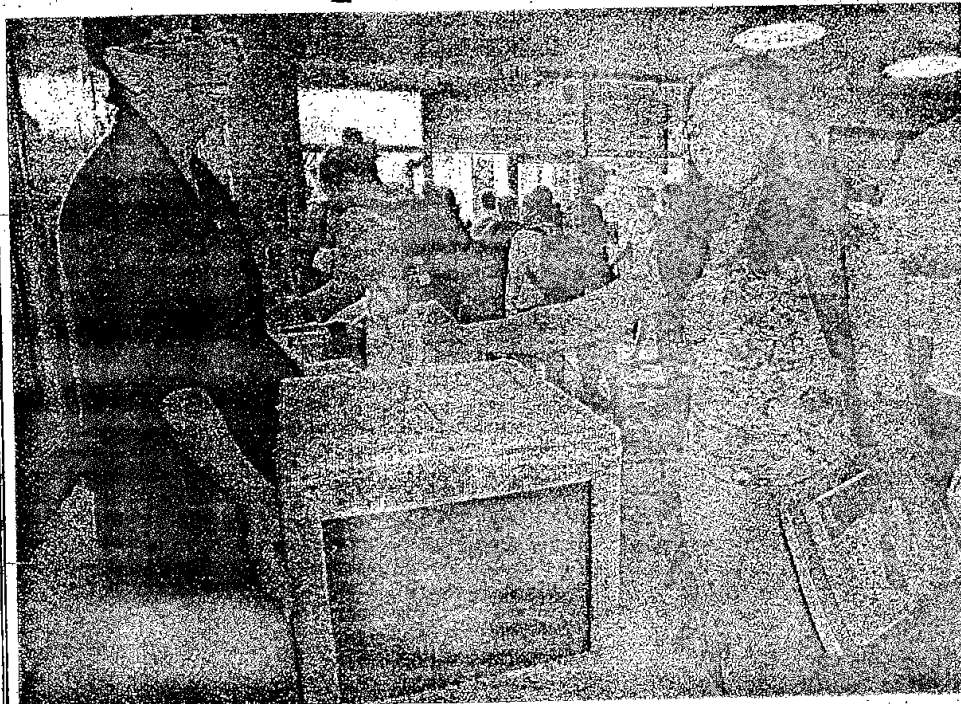
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75¢ on Guam

VOL. 35 NO. 257 HAGATNA, GUAM, OCTOBER 14, 2004

Sides spar on Prop A



Masaka Watanabe/Pacific Daily News/mwatanabe@guampdn.com

Ballot: University of Guam student Gemma Doculan, 18, of Yigo casts her mock ballot on Proposal A after a forum at the University of Guam yesterday. Of the 75 who voted, 54 said no to Proposal A and 21 said yes, according to the university.

UOG gaming forum ends with mock vote

By Steve Limtiaco

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People with fundamental moral or religious objections to gambling should vote against Proposal A, gaming consultant Frederic Gushin told University of Guam students yesterday afternoon.

But legalizing casinos in

Guam hotels will create jobs and provide long-term economic benefit for the island and the region, he said.

"Casinos have been and will be, here, an economic catalyst for capital — getting money to improve the hotels, expand the hotels, expand the base of tourism, clearly create jobs. Forty-eight states out of 50 can't be wrong," he

said.

Gushin was part of a three-person pro-casino panel that participated in a casino gaming forum, sponsored by the student life office, early yesterday afternoon at the University of Guam student center. Also on that panel were Citizens for Economic

▲ See Prop A, Page 4

Clinic crowding shifts cost to ER

By Katie Worth

Pacific Daily News

TO THE POINT

tried to go to Public Health clinics, but have been turned

creative ways to get prompt care.

Tropical Storm Tokage passes

By Katie Worth

Pacific Daily News

kworth@guampdn.com

The island spent much of the day yesterday under a flash-flood warning because of heavy rains associated with Tropical Storm Tokage, which passed about 30 miles north of Ritiidian Point early yesterday morning.

Though the storm didn't cause much hardship as it passed, meteorologists are warning residents to keep an eye on the weather because there's an ugly mass of clouds on the horizon, and it appears to be waxing storm-like.

Tokage, which means lizard in Japanese, passed through the Rota channel around 5 a.m. yesterday, causing a tropical storm warning for Rota, Tinian and Saipan, but not for Guam. As of 7 last night, Tokage was about 230 miles west north-west of Guam and moving

▲ See Storm, Page 4

TO THE POINT

▲ Tropical Storm Tokage passed the Mariana Islands yesterday without causing much problem, but another formation may develop into a storm and may be heading our way.

Delicious decadence

Get your sweet tooth ready for the seventh annual Pastries in Paradise this Saturday. In today's Mas Pika, we provide some helpful tips on how to prepare for this decadent event.

Guam PDN.com
Pacific Daily News
GUAM'S COMPLETE SOURCE

Don't forget to vote in today's mock ballot. Today's question:

Will your personal religious beliefs influence your vote on Prop A?

Results from yesterday's mock ballot on Page 2.

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